

Comerica Bank-Detroit
211 West Fort Street
Detroit, Michigan 48226

Comerica Bank-Detroit

RECORDATION NO. 13671-F Filed & Recorded
MAR 25 1987 11-20 AM

March 20, 1987

INTERSTATE COMMERCE COMMISSION

(3)

ASSIGNMENT, ASSUMPTION AND CONSENT
AGREEMENT between Detroit & Mackinac
Railway Company, D.M.L., Inc. and
Comerica Bank - Detroit

Interstate Commerce Commission
Washington, D.C.

Gentlemen:

On March 1, 1982 The Detroit Bank and Trust Company (now Comerica Bank-Detroit) agreed to finance the equipment of Detroit and Mackinac Railway Company D & MR). Comerica took title to the equipment and resold it to D & MR pursuant to a Conditional Sales Agreement dated March 1, 1982. D & MR has undergone a corporate reorganization and as a result, has transferred its interest in the equipment to D.M.L., Inc. Comerica has consented to this assignment subject to the guarantee of D & MR and The Straits Corporation. This Assignment, Assumption, and Consent dated March 4, 1987 documents the assignment of the equipment to D. M. L., D. M. L.'s assumption of the rights and obligations of D & MR under the Finance Agreement and the Conditional Sales Agreement, and the Bank's consent to the transaction.

This document is being sent to you for recording. Please let either Federal Research Associates or the Bank know if you have any questions or problems.

Sincerely,

John M. Gabbert

John M. Gabbert
Loan Administration Analyst

7-084Aa37
MAR 25 1987
Date
Fee \$ 10.00
ICC Washington, D. C.

100 OFFICE OF
THE SECRETARY
MAR 25 11 23 AM '87
MOTOR OPERATING UNIT

[Handwritten signature]

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RECORDATION NO. 13671-F
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D. M. L.

INTERSTATE COMMERCE COMMISSION
ASSIGNMENT, ASSUMPTION AND CONSENT

This Assignment, Assumption and Consent Agreement ("Agreement") executed and delivered this 4th day of ~~February~~ MARCH, 1987, and effective as of the 30th day of December, 1985 by and between Detroit and Mackinac Railway Company ("D & MR"), D. M. L., Inc. ("D. M. L.") and Comerica Bank-Detroit (formerly The Detroit Bank and Trust Company) (the "Bank").

WHEREAS, D & MR owned equipment described in Exhibit A to the Finance Agreement dated March 1, 1982 ("FA"); and

WHEREAS, the Bank desired to finance the equipment of D & MR, by advancing to D & MR, the sum of Three Million Two Hundred Fifty Thousand Dollars (\$3,250,000.00) for the purchase of the equipment, taking title to the equipment pursuant to terms of the FA, and the Bank resold the equipment to D & MR pursuant to a Conditional Sales Agreement dated March 1, 1982, as amended May 13, 1983 (the "CSA"); and

WHEREAS, D & MR has undergone a corporate reorganization and desires to have its obligations reflect its new structure; and

WHEREAS, D & MR desires to assign, convey and transfer all its interest in the equipment to D. M. L.; and

WHEREAS, D. M. L. desires to assume all of D & MR's interest in the equipment; and

WHEREAS, to further induce the Bank to enter into this Agreement, D & MR and The Straits Corporation have each entered into a guaranty ("Guaranties") of the indebtedness of D. M. L. pursuant to the FA and CSA; and

WHEREAS, the Bank is willing to consent to the assignment by D & MR and the assumption by D. M. L. of the rights to the equipment, obligations and indebtedness under the FA and CSA, subject to the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the premises and the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

SECTION I. ASSIGNMENT.

D & MR hereby assigns and transfers to D. M. L. all right, title and interest of D & MR in the equipment, for \$1.00 and in consideration of the assumption by D. M. L. of

D & MR'S outstanding debt to the Bank pursuant to the CSA and the FA.

SECTION II. ASSUMPTION.

D. M. L. does hereby assume the rights and become liable for and agrees to perform timely and discharge when and as due the outstanding indebtedness and obligations of D & MR pursuant to the FA and the CSA.

SECTION III. ACKNOWLEDGMENT AND CONSENT.

The Bank hereby acknowledges and consents to the aforesaid assignment of the rights, obligations and indebtedness of D & MR pursuant to the FA and the CSA. The Bank consents to the assumption by D. M. L. of the rights to the equipment and the obligations, and indebtedness of D & MR pursuant to this Agreement, subject to the Guaranties entered into by The Straits Corporation and D & MR.

SECTION IV. MISCELLANEOUS.

4.1 Amendments and Waivers. This Agreement may be amended or waived only by a written agreement signed by the parties hereto. No forbearance on the part of any party to this Agreement in enforcing any of its rights under this Agreement shall constitute a waiver of any of the terms of this Agreement or of any such right.

4.2 Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns; provided, however, that no party to this Agreement may assign or transfer its rights or obligations hereunder without the written consent of the other parties to this Agreement.

4.3 Entire Agreement. This Agreement, together with the agreements and instruments referred to herein, contains the entire agreement of the parties hereto with respect to the transactions contemplated herein.

4.4 Headings. The headings in this Agreement are inserted for convenience of reference only and will not in any way affect the meaning or interpretation of this Agreement.

4.5 Governing Law. This Agreement shall be governed, construed and enforced in accordance with the internal laws of the State of Michigan, as applicable to contracts made between residents of and to be wholly performed within the State of Michigan.

4.6 Survival of Warranties, Etc. The respective representations, warranties, covenants and agreements of the parties to this Agreement made in connection with this Agreement and any agreement or instrument contemplated hereby shall survive the closing of the transactions contemplated hereunder and shall not be deemed waived (except by an instrument in writing by the party to whom such waiver is charged) or otherwise affected by any investigation made by any party hereto.

4.7 Counterparts. This Agreement may be executed in multiple copies, each of which shall for all purposes be deemed an original and all of which together shall constitute a single agreement binding on all parties.

4.8 No Third Party Beneficiaries. This Agreement does not create, and shall not be construed as creating, any rights enforceable by any person not a party to this Agreement.

4.9 Drafting. The provisions of this Agreement have been examined, reviewed and negotiated by counsel for each party, and no implication shall be drawn against any party hereto by virtue of the drafting of this Agreement.

4.10 Notices. All notices and communications provided for or permitted in this Agreement, or otherwise required by law, shall be in writing and shall be effective when received or two (2) business days after sending, by first class mail, postage prepaid, addressed as follows (or to such other address as a party shall have designated by a notice to the other parties):

(a) If to DETROIT AND MACKINAC RAILWAY
COMPANY
120 Oak St.
Tawas City, MI 48763

(b) If to D. M. L., Inc.
120 Oak St.
Tawas City, MI 48763

If to Comerica Bank-Detroit
211 W. Fort St.
Detroit, MI 48275-3078

IN WITNESS WHEREOF, the parties have caused this Assignment, Assumption and Consent Agreement to be executed and effective as of the day and year written above.

DETROIT AND MACKINAC RAILWAY
COMPANY

By Charles A. Pinkerton, III
Charles A. Pinkerton, III
Its President

By R. C. Moffatt
Roger C. Moffatt
Its Executive Vice President

D. M. L., INC.

By Charles A. Pinkerton, III
Charles A. Pinkerton, III
Its President

By R. C. Moffatt
Roger C. Moffatt
Its Executive Vice President

COMERICA BANK-DETROIT

By Robert C. Robinson
Robert C. Robinson
Its Vice President

State of Michigan)
 : ss.
County of Iosco)

On this 4th day of March, 1987, before me personally appeared Charles A. Pinkerton III and Roger C. Moffatt, to me personally known, who being by me duly sworn, say that they are the President and Executive Vice Pres., respectively, of Detroit and Mackinac Railway Company, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Shirley R. Luedtke
Notary Public, Iosco County, Michigan
My commission expires: March 21, 1989

(Notarial Seal)

State of Michigan)
 : ss.
County of Iosco)

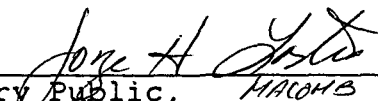
On this 4th day of March, 1987, before me personally appeared Charles A. Pinkerton III and Roger C. Moffatt, to me personally known, who being by me duly sworn, say that they are the President and Executive Vice Pres., respectively, of D. M. L. Inc., that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Shirley R. Luedtke
Notary Public, Iosco County, Michigan
My commission expires: March 21, 1989

(Notarial Seal)

State of Michigan)
 : ss.
County of Wayne)

On this 25TH day of FEBRUARY, 1987, before me personally appeared ROBERT C. ROBINSON to me personally known, who being by me duly sworn, say that he/she is the VICE-PRESIDENT of Comerica Bank-Detroit, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public, MACOMB County, Michigan
My commission expires: 9-24-1990

(Notarial Seal)

